

Update on the Reorganization of the California Department of Health Services

September 8, 2006

This update on the CDHS reorganization provides a status update and summary of Senate Bill (SB) 162.

In addition, we have posted the new Program Placement Table on the Reorganization website. This revised Table presents the organizational placement of current CDHS programs into the Department of Public Health and the Department of Health Care Services, based on the reorganization provisions of SB 162.

Status of SB 162

Senate Bill 162 was passed, as amended August 24, 2006, by the Assembly Floor on August 30, 2006, by a vote of 79-0. The Assembly amendments to the bill were concurred with by the Senate on August 31, 2006, by a vote of 34-3. The bill has been enrolled and sent to the Governor for action. The Governor has until the end of September to sign legislation.

SB 162 Summary

SB 162 represents a combined effort of many CDHS staff working with legislative staff and stakeholders. We are pleased with the final version of the bill, although we were unable to get some last minute clarifications incorporated into the bill.

SB 162 establishes a Department of Public Health (DPH) within the existing California Health and Human Services Agency and provides statutory authority to transfer responsibilities from CDHS to the new DPH, effective July 1, 2007.

CDHS will be renamed as the Department of Health Care Services (DHCS).

The bill creates a Public Health Advisory Committee appointed by the Governor and the Legislature that will, until June 30, 2011, provide expert advice and make recommendations on the development of policies and programs that seek to prevent illness and promote the public's health, to the DPH.

CDHS is authorized to establish a Change Management Office with redirected positions to plan and guide the implementation of the transition activities for reorganization.

The bill requires that the reorganization from one department to two departments be budget neutral.

SB 162 identifies the programs that will be transferred to the new DPH by program name, by statute reference or by current Deputy Director responsibility. The duties and responsibilities of the Deputy Directors for Prevention Services, Licensing and Certification, Health Information and Strategic Planning, Public Health Emergency Preparedness and Primary Care and Family Health will be transferred to the DPH, with specified exclusions. The Office of Clinical Preventive Medicine will remain in the DHCS, to provide a link between the public health programs in DPH and DHCS and to provide a public health perspective to the policy-making process for the health care delivery systems administered by DHCS.

The programs in the Children's Medical Services Branch of Primary Care and Family Health, including the California Children's Services Program, the Child Health and Disability Prevention Program, the Genetically Handicapped Persons Program, the Health Care Program for Children in Foster Care, the Medical Therapy Program and the Newborn Hearing Screening Program, will remain in the DHCS.

The programs in the Primary and Rural Health Care Systems Branch, including the Expanded Access to Primary Care Program, the Grants-in-Aid for Clinics Program, the Indian Health Program, the Seasonal Agricultural and Migratory Workers Program and the State Office of Rural Health, will remain in the DHCS.

SB 162 provides that the Office of Women's Health and the Office of Multicultural Health, and their advisory councils will not be split between the two departments as part of the reorganization. Both Offices are small and to divide the staff between two new Offices would result in their inability to meet their missions. Instead, they will remain intact, one Office of Women's Health in DHCS and one Office of Multicultural Health in DPH. The Offices will serve both departments with equal numbers of Council appointments from each Director.

Please refer to the September Program Placement Table for a comprehensive listing of the Offices, Divisions, Branches and programs as they exist in CDHS today, and which department they will be in, on July 1, 2007, pursuant to SB 162.